

Tourism Development Project



Entrance Gate Constructed in Nalanda

Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥9,244 million / ¥6,617 million
Loan Agreement	December 1988
Terms and Conditions	Interest rate: 2.5%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	January 1999

Project Profile

The project was to improve infrastructure such as roads, bridges and facilities for the viewing of Buddhist relics in the states of Uttar Pradesh (U.P.) and Bihar, which have many historical Buddhist sites, to promote regional industry.

Results and Evaluation

The project widened and improved the paving of 446km of national roads and 781km of state roads in the states of Uttar Pradesh and Bihar, and built nine new bridges, in order to ease transport between tourist sites and shorten travel times. In addition, water supply and electricity distribution infrastructure were laid to provide tourists from India and abroad with adequate supplies of water and electricity, and rest facilities to provide foreign tourists, mainly from Japan, with good services. Data on tourist numbers from Sarnath and Kushinagar in U.P. show a steady increase from 1,409,000 in 1994, during the implementation of the project, to 2,249,000 in 1999, after its completion. The basic infrastructure of roads, bridges, water supply and electrical distribution equipment built by the project appeared widely beneficial to the residents of the region, as well as to the tourism industry.

Facilities in U.P. are well maintained. In Bihar there are problems in some areas, particularly with water and electricity supplies, due to fiscal difficulties, but maintenance is carried out appropriately overall.